STUDENTS FINANCE BOARD ANNUAL REPORT 1987

STUDENTS FINANCE BOARD

88-05065/

Alberta
ADVANCED EDUCATION

Office of the Minister

323 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403/427-2291

March, 1988

The Honourable Dr. David J. Carter
Speaker of the Legislative Assembly of Alberta

Dear Mr. Speaker:

It is my privilege to transmit the Annual Report of the Students Finance Board for the period April 1, 1986 to March 31, 1987.

Respectfully submitted,

D.J. RUSSELL
Deputy Premier and Minister
of Advanced Education

STUDENTS FINANCE BOARD
ANNUAL REPORT
1987

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REPORT OF THE STUDENTS FINANCE BOARD

We have the honour to submit the Annual Report for the year ending March 31, 1987.

The Students Finance Board, which is comprised of nine public members and two student representatives, is appointed by the Minister of Advanced Education. The Board is charged with the responsibility of administering Alberta's student aid programs, including the Alberta Heritage Scholarship Fund, and acts in an advisory capacity to the Minister of Advanced Education on matters relating to student financial assistance.

During this reporting period, the number of students assisted by the Students Finance Board continued to increase. Under the Board's need-based programs in 1986-87, 56,901 students received assistance amounting to $233,816,542. In the previous reporting period, 50,282 students received assistance amounting to $197,169,049.

Under the programs of the Alberta Heritage Scholarship Fund, 6,403 scholarship recipients received awards totaling $9,034,414.

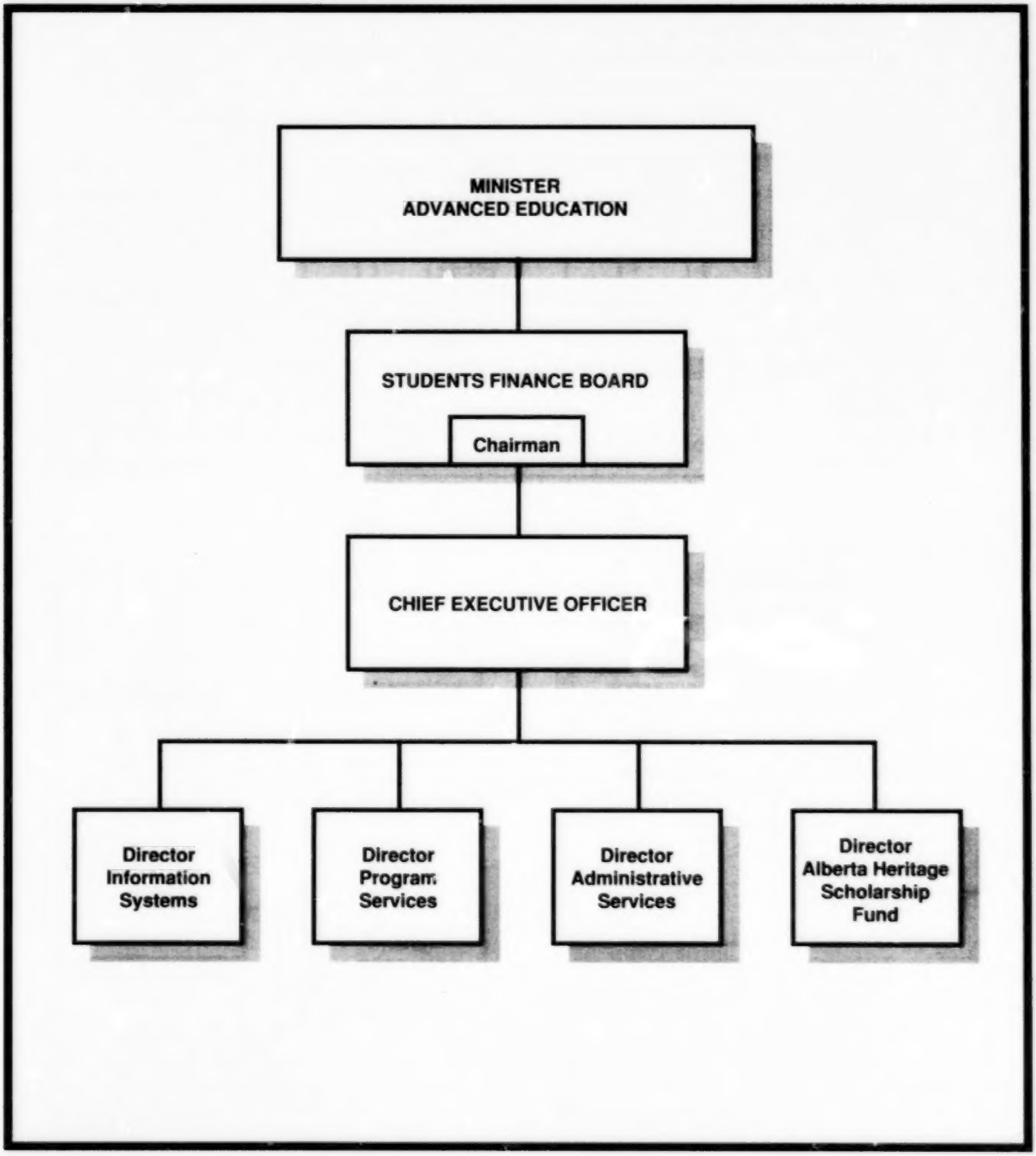
As in previous years, the Students Finance Board held meetings in 1986-87 with student representatives and student awards officers from across the province. These meetings provide the opportunity for the discussion of issues relating to the provision of student financial aid.

The Students Finance Board would like to thank those Albertans who have served on the various committees of the Board throughout the 1986-87 year.

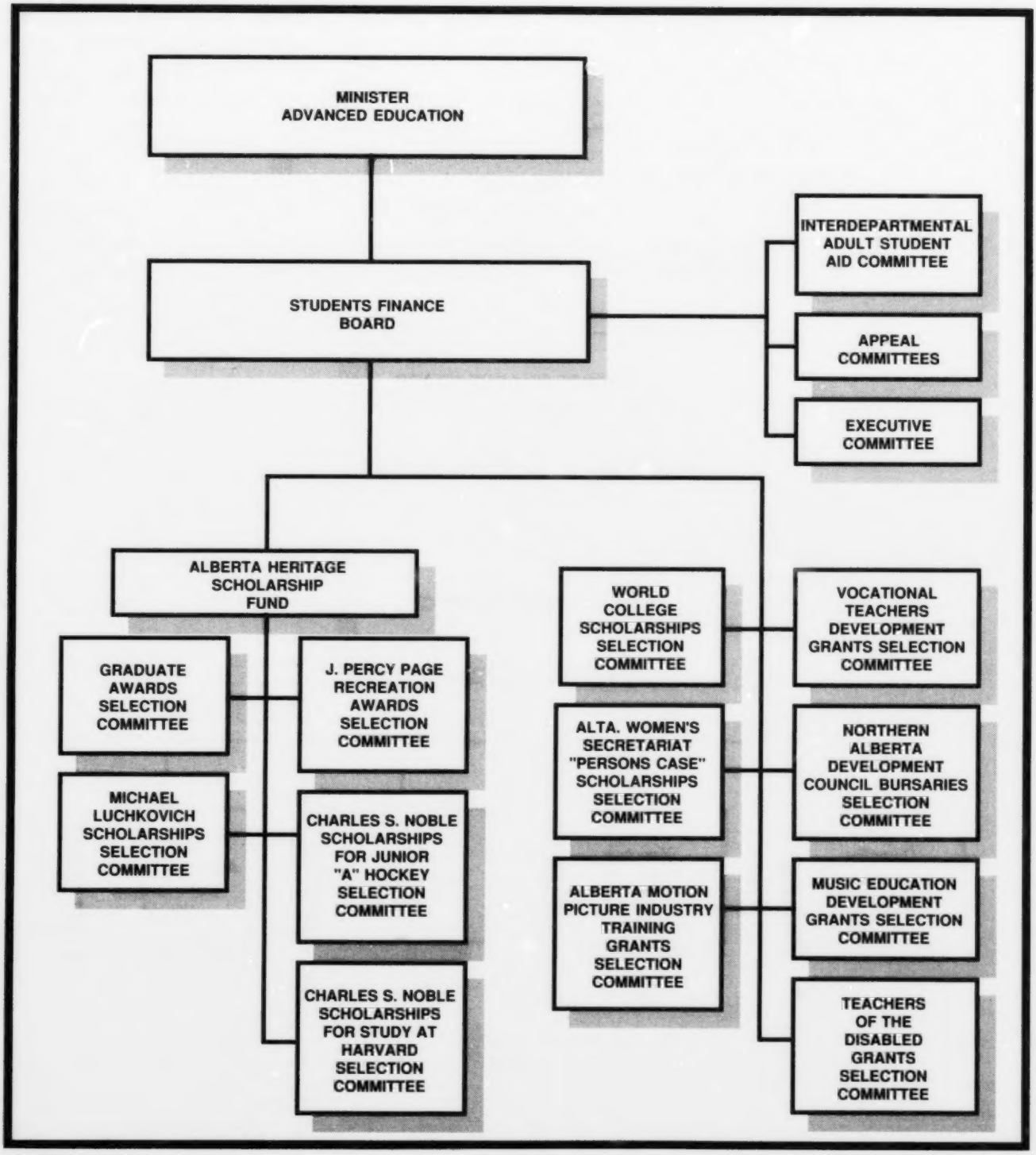
Respectfully submitted,

P. Ducharme
T. Haberman
D. Hancock
W. Hunchak
L. Land
S. Langlois
D. O'Leary
T. O'Shea
S. Sivam
L. Steinmann
M. Tims, Chairman

STUDENTS FINANCE BOARD
Organization Chart
1 April 1987

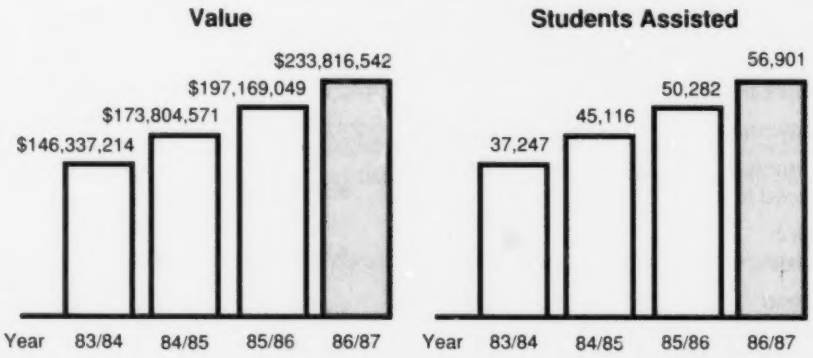


STUDENTS FINANCE BOARD
Committees
1 April 1987

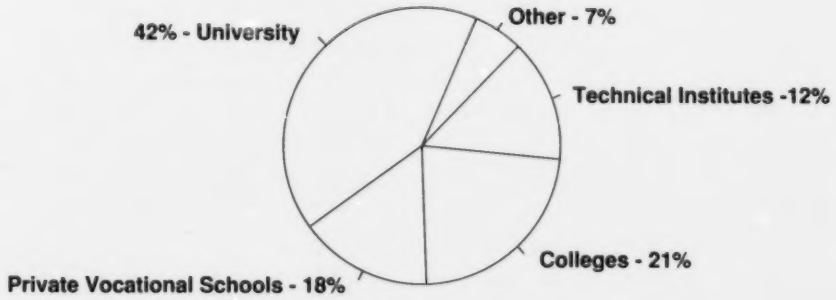

MINISTER
ADVANCED EDUCATION
STUDENTS FINANCE BOARD
INTERDEPARTMENTAL ADULT STUDENT AID COMMITTEE
APPEAL COMMITTEES
EXECUTIVE COMMITTEE
ALBERTA HERITAGE SCHOLARSHIP FUND
GRADUATE AWARDS SELECTION COMMITTEE
J. PERCY PAGE RECREATION AWARDS SELECTION COMMITTEE
MICHAEL LUCHKOVICH SCHOLARSHIPS SELECTION COMMITTEE
CHARLES S. NOBLE SCHOLARSHIPS FOR JUNIOR "A" HOCKEY SELECTION COMMITTEE
CHARLES S. NOBLE SCHOLARSHIPS FOR STUDY AT HARVARD SELECTION COMMITTEE
WORLD COLLEGE SCHOLARSHIPS SELECTION COMMITTEE
ALTA. WOMEN'S SECRETARIAT "PERSONS CASE" SCHOLARSHIPS SELECTION COMMITTEE
ALBERTA MOTION PICTURE INDUSTRY TRAINING GRANTS SELECTION COMMITTEE
VOCATIONAL TEACHERS DEVELOPMENT GRANTS SELECTION COMMITTEE
NORTHERN ALBERTA DEVELOPMENT COUNCIL BURSARIES SELECTION COMMITTEE
MUSIC EDUCATION DEVELOPMENT GRANTS SELECTION COMMITTEE
TEACHERS OF THE DISABLED GRANTS SELECTION COMMITTEE

NEED-BASED ACTIVITIES - HIGHLIGHTS

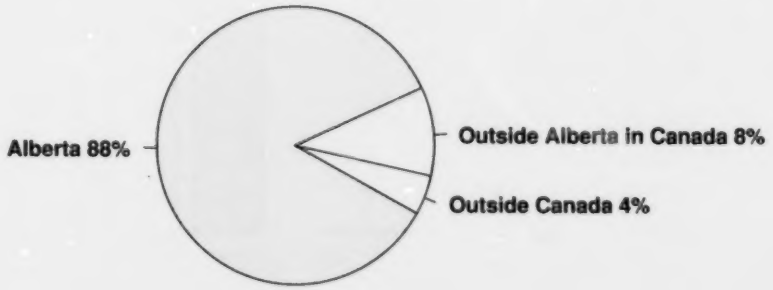
1. Summary of Total Need-Based Assistance 1984-1987



2. 1986-87 Summary of Need-Based Awards According to Institution Types



3. 1986-87 Summary of Need-Based Awards According to Institution Location



SUMMARY OF EXPENDITURES

	1986	1987
Grants and bursaries	$42,619,513	$58,641,168
Remission payments	24,659,937	32,850,530
Interest payments on guaranteed loans	8,209,273	7,913,098
Implementation of guarantees	4,465,164	6,505,377
Fellowships and scholarships	1,633,201	1,859,830
Administration expenses	4,524,298	4,712,264
Total	$86,111,386	$112,482,267

Alberta Educational Opportunity Equalization Grant Assistance 1984 - 1987

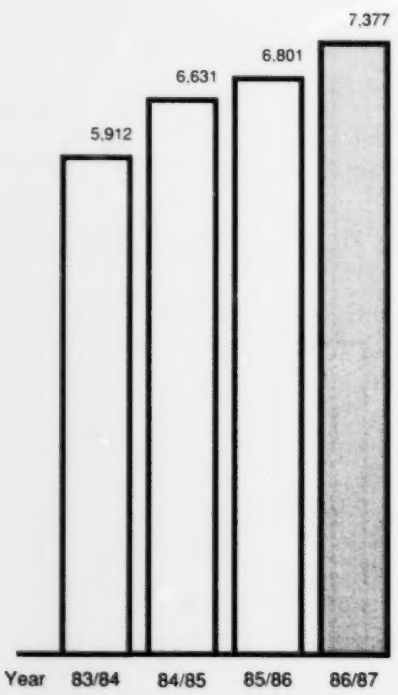
Value: up to $2,000 per academic year

These grants may be provided to help offset the additional costs incurred by dependent students whose programs of study are not available within normal commuting distance of their parents' homes. To be eligible for these grants, students must demonstrate financial need.

There were 7,377 students assisted under this program in 1986-87, amounting to a total expenditure of $9,955,190

Value

Students Assisted



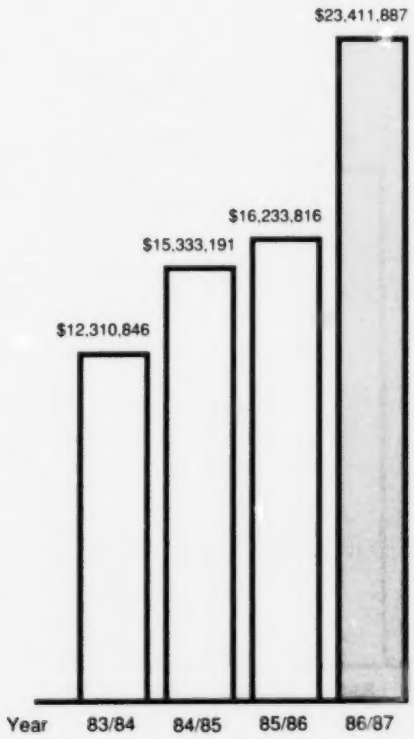
Supplemental Assistance Grant Assistance 1984 - 1987

Value: up to $2,500 per academic year

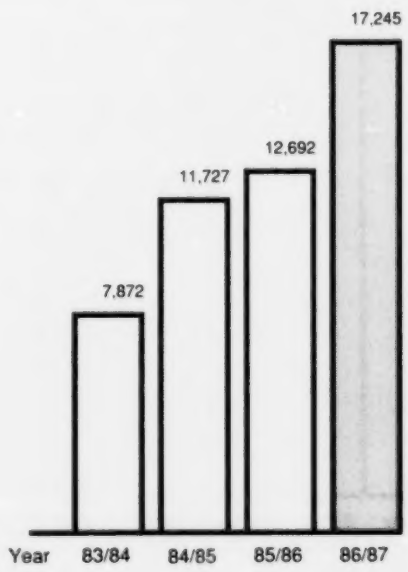
Supplemental assistance grants were established to aid those undergraduate students demonstrating a need for assistance which exceeds the $4,300 loan maximum per academic year. The purpose of this grant program is to control the level of indebtedness of students upon graduation.

There were 17,245 students assisted under this program in 1986-87, amounting to a total expenditure of $23,411,887.

Value



Students Assisted

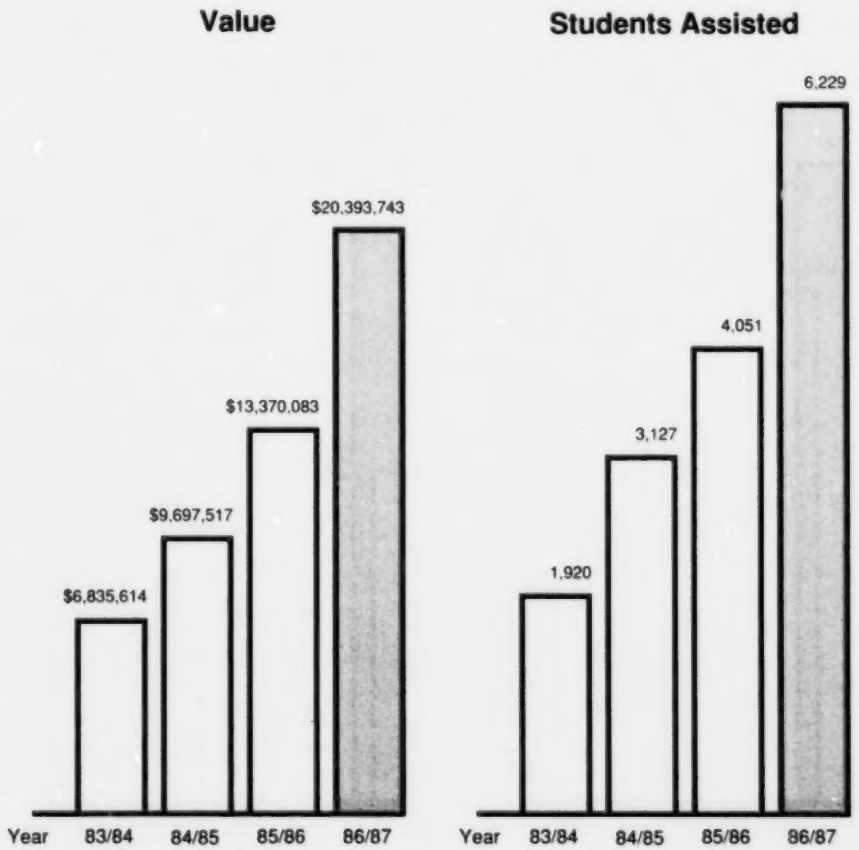


Maintenance Grant Assistance 1984-1987

Value: up to $6,000 per academic year

The maintenance grant program was established to ensure that students with special needs have the opportunity to acquire undergraduate degrees. Students considered for these grants are those who do not have normal prospects of completing their education without assistance in addition to that provided under other programs, e.g. disabled persons and single parents. To be eligible for maintenance grant assistance, a student must be receiving a minimum loan of $1,000 under the Guaranteed Loans program.

There were 6,229 students assisted under this program in 1986-87, amounting to a total expenditure of $20,393,743.



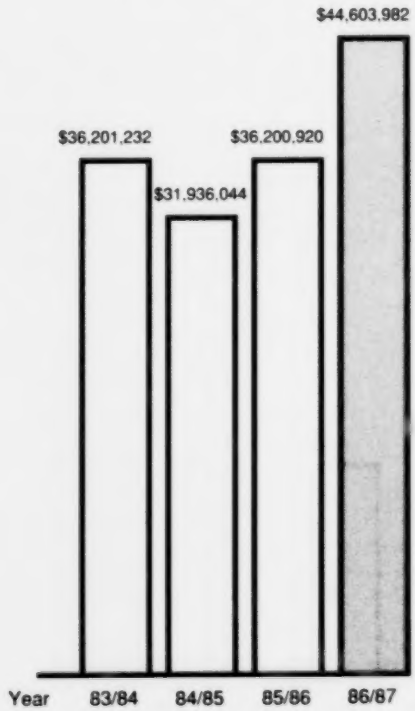
Provincial Guaranteed Student Loan Assistance
1984-1987

This program was implemented by the Province in 1969 to supplement the assistance available to Alberta students under the Canada Student Loans program.

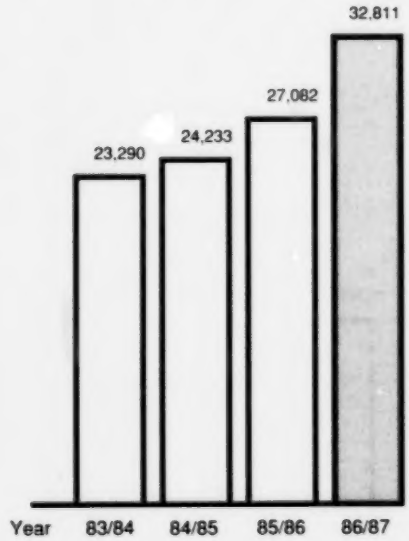
The interest on these loans is paid by the Province while the individual is attending a post-secondary institution, and for six months after he or she ceases to be a full-time student. At that time, the individual assumes responsibility for principal and interest payments.

There were 32,811 students assisted under this program in 1986-87, amounting to a total expenditure of $44,603,982.

Value



Students Assisted

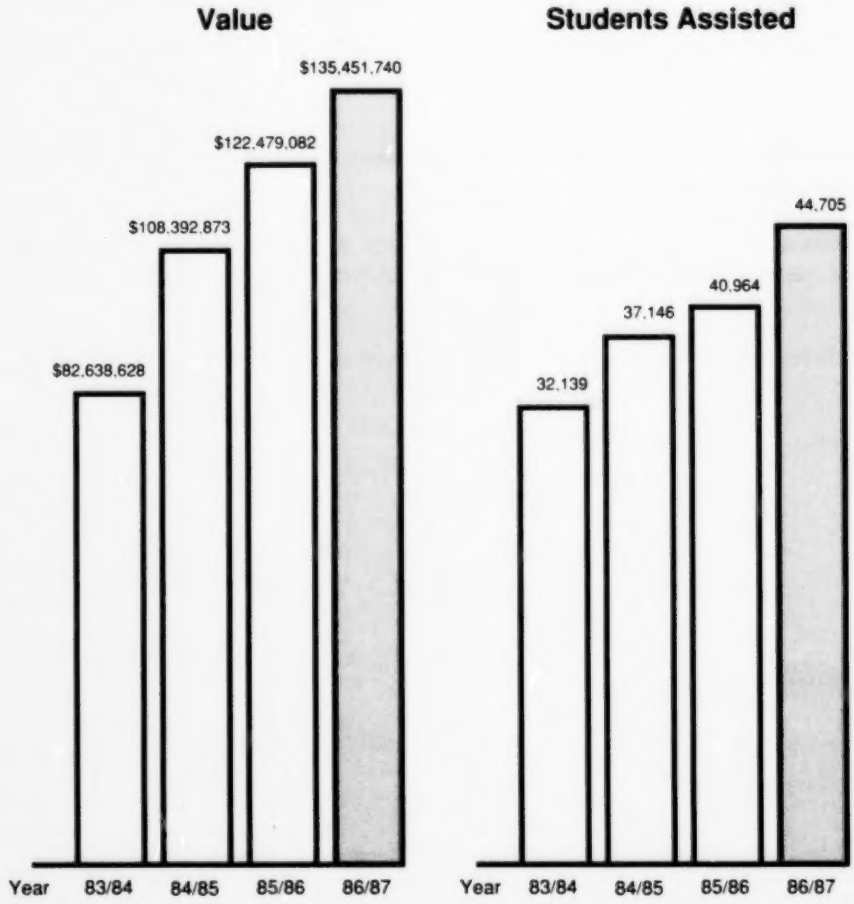


Canada Student Loan Assistance 1984-1987

The Canada Student Loans program was established in 1964. The Students Finance Board is the designated authority for the administration of these loans in Alberta.

The interest on these loans is paid by the federal government while the individual is attending a post-secondary institution, and for six months after he or she ceases to be a full-time student. At that time, the individual assumes responsibility for principal and interest payments.

In 1986-87, a total of 44,705 students were issued Canada Student Loans amounting to $135,451, 740.



REMISSION PROGRAM

The remission program was implemented by the Province in 1971. Remission is that portion of a student's loan which may be repaid by the Province of Alberta on the student's behalf when he or she has ceased to be a full–time student.

Students qualify for remission if the following conditions have been met to the satisfaction of the Students Finance Board:

- savings were adequate in relation to earnings;

- a reasonable contribution has been made by parents, spouse or sponsor;

- full-time enrollment was maintained during the period for which assistance was provided;

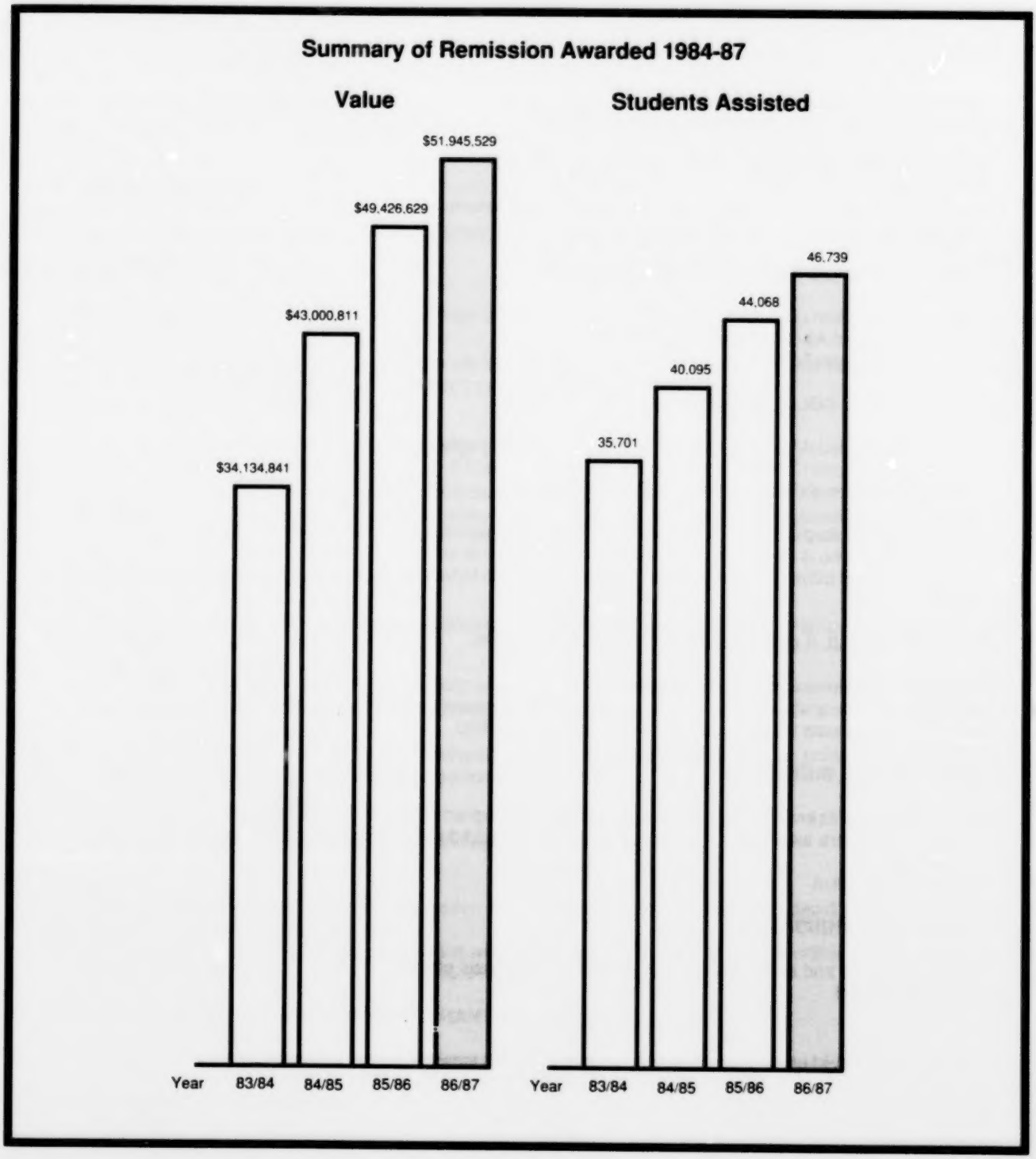
- the initial arrangements for repayment of student loans have been made, i.e. loans have been consolidated.

During this reporting period, the Province generally repaid 50 per cent of all funds borrowed during the first year of study, 40 per cent of all funds borrowed during the second year and 25 per cent of all funds borrowed in subsequent years of study.

Applications for loan remission are available at credit institutions in Alberta, and are submitted to the Students Finance Board after consolidation of the student loans.

Remission payments are sent directly to the lending institution and applied to the student's outstanding loan obligations. In this manner, during 1986-87, 17,890 students received remission benefits which amounted to $32,850,530.

In 1986-87, 46,739 students were awarded remission amounting to $51,945,529 which will be issued upon graduation.


Summary of Remission Awarded 1984-87
Value
$34,134,841
$43,000,811
$49,426,629
$51,945,529
Year
83/84
84/85
85/86
86/87
Students Assisted
35,701
40,095
44,068
46,739
Year
83/84
84/85
85/86
86/87

SCHOLARSHIPS, FELLOWSHIPS, BURSARIES, GRANTS, AND PRIZES

PROVINCE OF ALBERTA SCHOLARSHIPS

Awarded to undergraduate students who have achieved an average of not less than 80 per cent.
Value: $150

PROVINCE OF ALBERTA PRIZES

Awarded to students registered in diploma or certificate programs at public colleges or institutes of technology.
Value: $150

GRADUATE SCHOLARSHIPS AND FELLOWSHIPS

Awarded to Canadian citizens or permanent residents who are registered as full-time students in graduate studies at the University of Alberta or the University of Calgary.
Value: Scholarships: $8,100 Fellowships: $9,300

UNITED WORLD COLLEGE SCHOLARSHIPS

Awarded to selected Alberta students who have completed grade 11. These scholarships provide two years of study at United World Colleges located in Canada, Wales, the U.S.A., Singapore, Swaziland and Italy. Eight new scholarships are awarded each year.

Two of these scholarships were established in 1983 to commemorate the visit to Alberta of His Royal Highness Prince Charles, who is President of the International Council of the United World Colleges.
Value: The cost of tuition, room and board, and one round trip between the student's home and the United World College per year.

POPE JOHN PAUL II COMMEMORATIVE SCHOLARSHIPS

Awarded to a maximum of two undergraduate students and four graduate students to facilitate the pursuit of native studies, international studies with respect to third world countries, or ecumenical studies.
Value: Undergraduate level: $5,000 Masters level: $10,000

BANFF CENTRE BURSARIES

Awarded to students enrolled in visual and performing arts programs at the Banff Centre for Continuing Education. These bursaries are awarded on the basis of financial need and past achievement in the subject matter being studied.
Value: Cost of tuition

HIGH SCHOOL BURSARIES

Awarded to junior and senior high school students on the basis of need.
Value: Up to $300

EDUCATION OF SERVICEMEN'S CHILDREN BURSARIES

Awarded to the children of disabled war veterans in order to assist them in meeting their educational costs in grades 9 to 12 inclusive.
Value: Up to $300

PART-TIME BURSARIES

Awarded to students on the basis of need in order to cover the cost of tuition, books and materials, transportation and child care costs.
Value: $300 per academic term

GRANTS FOR DISABLED PERSONS

Grants are provided to students who are physically or mentally disabled and who, in the opinion of the Board, require extraordinary assistance not available through other programs.
Value: Up to $1,000 per semester

GOVERNMENT OF ALBERTA SCHOLARSHIPS

Special purpose scholarships awarded by the Students Finance Board.
Value: Maximum of $8,000 per year plus tuition, books and transportation costs. A $1,000 research allowance may be issued once during the course of the student's program.

HIGH SCHOOL MAINTENANCE GRANTS

Awarded primarily to high school students who become ineligible for social assistance benefits because they have reached 18 years of age.
Value: Up to $5,000

QUEEN ELIZABETH SCHOLARSHIPS IN CANADIAN STUDIES

Awarded to students in the final year of an undergraduate degree program which focuses primarily or uniquely on aspects of Canadian culture or problems significant to Canada.
Value: $1,000

ALBERTA MOTION PICTURE INDUSTRY TRAINING GRANTS

Awarded to
a) individuals already established within the motion picture industry who wish to further develop their skills by attending short courses or seminars, and
b) individuals who have achieved advanced status within the industry who wish to pursue further formal training.
Value: a) Up to $5,000 b) Up to $13,000

UKRAINIAN LANGUAGE DEVELOPMENT GRANTS

Awarded to individuals who are enrolled in programs designed to enhance the teaching of the Ukrainian language in Alberta. Recipients are recommended by the Minister of Education or his delegate.
Value: Up to $2,000 in any one year

RETURN-SERVICE PROGRAMS

VOCATIONAL TEACHER DEVELOPMENT GRANTS

A return-service program provided to students in the vocational teacher certification program who intend to be employed by a school board in Alberta upon graduation.
Value: Up to $22,000

NORTHERN ALBERTA DEVELOPMENT COUNCIL BURSARIES

A return-service program provided, primarily, to students raised in northern Alberta who will be employed in northern Alberta on completion of their studies.
Value: Up to $3,500 per academic year, if single
Up to $6,000 per academic year if married

In circumstances where either the field of study or the remote location makes recruitment difficult, special incentive bursaries may be provided under this program.
Value: Up to $7,000 per academic year, if single
Up to $12,000 per academic year, if married

TEACHERS OF THE DISABLED GRANTS

A return-service program provided to students enrolled in full-time graduate programs in areas related to the teaching of disabled persons.
Value: Up to $10,000

MUSIC EDUCATION DEVELOPMENT GRANTS

A return-service program provided to students who are enrolled in a program of study related to music education who intend to be employed by a school board in Alberta upon graduation.
Value: Up to $20,000

SUMMARY OF TOTAL AWARDS

	1984-85	1985-86	1986-87
Alberta Educational Opportunity Equalization Grant	$ 8,444,946	$ 8,885,148	$ 9,955,190
Supplemental Assistance Grants	15,333,191	16,233,816	23,411,887
Maintenance Grants	9,697,517	13,370,083	20,393,743
Guaranteed Provincial Loans	31,936,044	36,200,920	44,603,982
Canada Student Loans	108,392,873	122,479,082	135,451,740
Remission Awards	43,000,811	49,426,629	51,945,529
Province of Alberta Scholarships	169,650	165,000	189,900
Province of Alberta Prizes	189,000	146,850	187,800
Graduate Scholarships and Fellowships	969,933	1,020,420	1,036,900
United World College Scholarships	179,584	175,795	229,968
Pope John Paul II Comm. Scholarships	—	25,000	50,000
Banff Centre Bursaries	21,225	21,800	24,385
High School Bursaries	146,066	167,458	199,700
Education of Servicemen's Children Bursaries	3,380	2,325	1,250
Part-Time Bursaries	420,843	780,504	1,186,509
Grants for Disabled Persons	36,880	33,440	88,760
Government of Alberta Scholarships	75,715	82,136	149,262
High School Maintenance Grants	1,947,724	2,223,370	2,597,670
Queen Elizabeth Scholarships in Canadian Studies	19,000	18,000	16,000
Alberta Motion Picture Industry Training Grants	18,622	10,469	17,216
Music Education Development Grants	80,170	61,670	66,660
Ukrainian Language Development Grants	5,351	15,000	7,448
Vocational Teacher Development Grants	182,850	185,900	77,000
Northern Development Council Bursaries	563,150	590,530	609,750
Teachers of the Disabled Grants	64,046	38,000	4,000
TOTAL	$221,898,571	$252,359,345	$292,502,249

APPENDIX 1
GUARANTEED PROVINCIAL LOANS

SUMMARY OF ACTIVITY	1984/85	1985/86	1986/87
O/S Loans - Students in School	$65,933,042	$68,622,914	$77,535,934
- Graduates	25,419,525	29,705,812	27,763,511
	$91,352,567	$98,328,726	$105,299,445
Loans Issued	$31,936,044	$36,200,920	$44,603,982
Interest Paid to Banks	$7,861,723	$8,209,273	$7,913,009
Bank Claims Paid	$4,538,770	$4,465,164	$6,505,377

ERRATA

1986/87
"Interest Paid to Banks"

$7,913,009 should read $7,913,098

APPENDIX 2
APPEAL ACTIVITY

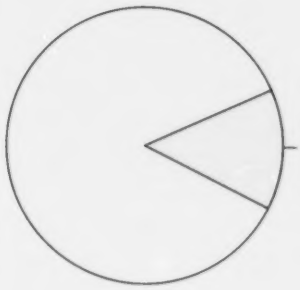
A student may initiate an appeal by forwarding a completed "Request for Appeal" form to the Students Finance Board. Subsequently, a counsellor will review the situation and may adjust the award within prescribed limits.

Appeals not resolved by this process are submitted, upon the student's request, to the Appeal Committees which meet in Edmonton and Calgary. Appointed by the Minister of Advanced Education, these Committees are comprised of members of the public and student representatives. Students are encouraged to attend these meetings in order to personally present their cases to the Committees.

1986-1987 Appeal Activity

Total Number Of Applications 56,901

Total Number Of Appeals 11,735

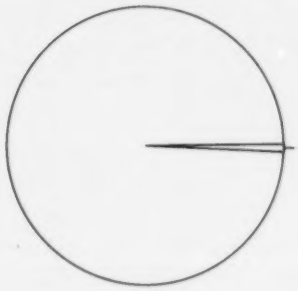


Percentage of Total Awards Appealed 20.6%

Total Number Of Appeals 11,735

Number of Appeals Resolved by Counsellors 11,087

Number of Appeals Referred to the Appeal Committees 108



Percentage of Appeals Referred to Appeal Committees 0.9%

APPENDIX 3

STUDENTS FINANCE BOARD

FINANCIAL STATEMENT

MARCH 31, 1987

Auditor's Report

Balance Sheet

Notes to the Financial Statement

ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

AUDITOR'S REPORT

To the Members of the
Students Finance Board

I have examined the balance sheet of the Students Finance Board as at March 31, 1987. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, this financial statement presents fairly the financial position of the Board as at March 31, 1987 in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Donald D. Salmon

C.A.
Auditor General

Edmonton, Alberta
August 21, 1987

STUDENTS FINANCE BOARD

BALANCE SHEET

AS AT MARCH 31, 1987

	1987	1986
ASSETS		
Cash (Note 2)	$400	$400
LIABILITIES		
Due to the General Revenue Fund	$400	$400

The accompanying notes are part of this financial statement.

STUDENTS FINANCE BOARD

NOTES TO THE FINANCIAL STATEMENT

MARCH 31, 1987

Note 1 Authority

The Board operates under the authority of the Students Finance Act, Chapter S-24, Revised Statutes of Alberta 1980, and carries out the following activities on behalf of the Province of Alberta:

(i) Issue of certificates of eligibility for loans to be guaranteed pursuant to the Students Loan Guarantee Act and the Canada Student Loans Act. Fees are earned for administering Canada Student Loans Act certificates and are credited to the General Revenue Fund as revenue of the Department of Advanced Education.

(ii) Authorization of the following types of expenditures, paid by the Department of Advanced Education from funds appropriated by the Legislature:

(a) Grants, bursaries, fellowships and scholarships.
(b) Partial loan repayments on behalf of students.
(c) Interest on student loans guaranteed pursuant to the Students Loan Guarantee Act.
(d) Implementation of guarantees pursuant to the Students Loan Guarantee Act.
(e) Administration expenses in connection with all of the activities of the Board other than the costs of accommodation and basic office equipment forming part of the general administration costs of the Department of Advanced Education.

(iii) Authorization of scholarships paid from the Alberta Heritage Scholarship Fund.

Note 2 Cash

Cash consists of accountable advances from the General Revenue Fund.

Note 3 Approval of Financial Statement

This financial statement was approved by management.